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KEEP AMERICA SAFE AND BEAUTIFUL

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF LOS ANGELES**

KEEP AMERICA SAFE AND BEAUTIFUL,

Plaintiff,

v.

**Kabushiki Kaisha Muso Shoji; and DOES 1
through 100, inclusive,
Defendant.**

Case No.: 23STCV30344

**[PROPOSED] CONSENT JUDGMENT AS
TO KABUSHIKI KAISHA MUSO SHOJI**

(Health & Safety Code § 25249.6 *et. seq.* and
Code Civ. Proc. § 664.6)

KJTLAWGROUP^{LLP}
Jivalagian | Thomassian

1. INTRODUCTION

1.1 The Parties

This [Proposed] Consent Judgment is hereby entered into by and between KEEP AMERICA SAFE AND BEAUTIFUL, acting on behalf of the public interest (hereinafter “KASB”) and KABUSHIKI KAISHA MUSO SHOJI (hereinafter “KKMS” or “Defendant”). Collectively KASB and KKMS shall be referred to hereafter as the “Parties” and each of them as a “Party.” KASB is a non-profit corporation organized under the laws of California and acting in the interest of the general public, dedicated to protecting the health of California citizens and the environment through the elimination or reduction of toxic chemicals utilized in manufacturing consumer products and to increasing public awareness of those chemicals through the promotion of sound environmental practices and corporate responsibility. Defendant is a person in the course of doing business for purposes of Proposition 65, Cal. Health & Safety Code §§ 25249.6 et seq.

1.2 Allegations and Representations

KASB alleges that Defendant has offered for sale in the State of California and has sold in California, products, which contain cadmium, and that such sales have not been accompanied by Proposition 65 warnings. The State of California has listed cadmium as a chemical known to cause cancer, developmental toxicity and reproductive harm. Defendant denies the allegations and contends that there is no exposure and no violation under Proposition 65 for an alleged failure to warn.

1.3 Covered Product Description

The product that is covered by this Consent Judgment is identified as Ohsawa – Shiitake Mushrooms – Premium “Donko” Thick Cap Estate Grown on Oak Logs; UPC #: 7 07881 55116 3. All such items shall be referred to herein as the “Covered Product.”

1 **1.4 Notices of Violation/Complaint**

2 1.4.1 On or about February 3, 2023, KASB served KKMS and various public enforcement
3 agencies with a document entitled "60-Day Notice of Violation" pursuant to Health & Safety Code
4 §25249.7(d) (the "Notice"), alleging that KKMS was in violation of Proposition 65 for failing to warn
5 consumers and customers that the Covered Product exposed users in California to cadmium. No
6 public enforcer diligently prosecuted the claims threatened in the Notice within sixty days plus service
7 time relative to the provision of the Notice to them by KASB.
8

9 1.4.2 On December 12, 2023, KASB, acting in the interest of the general public in the State
10 of California, filed a complaint in the Superior Court of Los Angeles County alleging violations of
11 Health & Safety Code §25249.6 (the "Complaint") based on the alleged failure to warn of exposures
12 to cadmium contained in the Covered Product manufactured, distributed, or sold by Defendant.
13

14 **1.5 Effective Date/Compliance Date**

15 For purposes of this Consent Judgment, the term "Effective Date" shall mean the date this
16 Consent Judgment is entered as a judgment of the Court. For purposes of this Consent Judgment, the
17 term "Compliance Date" shall mean sixty (60) days after the Effective Date.

18 **2. STIPULATION TO JURISDICTION/NO ADMISSION**

19 For purposes of this Consent Judgment only, the Parties stipulate that this Court has
20 jurisdiction over Defendant as to the allegations contained in the complaint filed in this matter, that
21 venue is proper in the County of Los Angeles, and that this Court has jurisdiction to approve, enter,
22 and oversee the enforcement of this Consent Judgment as a full and final binding resolution of all
23 claims which were or could have been raised in the Complaint based on the facts alleged therein
24 and/or in the Notice.
25

26 Nothing in this Consent Judgment shall be construed as an admission by Defendant of any
27 fact, finding, issue of law, or violation of law; nor shall compliance with this Consent Judgment
28

constitute or be construed as an admission by Defendant of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by Defendant, including, but not limited to, any admission related to exposure of failure to warn. However, this section shall not diminish or otherwise affect the obligations, responsibilities, and duties of Defendant under this Consent Judgment.

3. INJUNCTIVE RELIEF: WARNINGS, REFORMULATION AND TESTING

3.1 Beginning on the Compliance Date, KKMS shall be permanently enjoined from manufacturing for sale in the State of California, "Distributing into the State of California," or directly selling in the State of California, any Covered Product that expose a person to a "Daily Cadmium Exposure Level" of more than 4.1 micrograms of cadmium per day, unless it meets the warning requirements under Section 3.2.

3.1.1 As used in this Consent Judgment, the term "Distributing into the State of California" shall mean to directly ship a Covered Product into California for sale in California or to sell a Covered Product to a distributor that KKMS knows or has reason to know will sell the Covered Product in California. The injunctive relief in Section 3 does not apply to any Covered Product that has left the possession, and is no longer under the control of KKMS prior to the Compliance Date and all claims as to such Covered Product are released in this Consent Judgment.

3.1.2 For purposes of this Consent Judgment, the "Daily Cadmium Exposure Level" shall be measured in micrograms, and shall be calculated using the following formula: micrograms of cadmium per gram of product, multiplied by grams of product per serving of the product as stated on the label, multiplied by servings of the product per day stated on the label, which equals micrograms of cadmium exposure per day. If the label contains no recommended daily servings, then the number of recommended daily servings shall be one.

3.2 Clear and Reasonable Warnings

If KKMS is required to provide a warning pursuant to Section 3.1, one of the following warnings must be utilized ("Warning"):

Option 1:

WARNING: Consuming this product can expose you to chemicals including cadmium, which is [are] known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov/food

Option 2:

WARNING: Cancer and Reproductive Harm – <http://www.p65warnings.ca.gov/food>

The Warning shall be securely affixed to or printed upon the label of each Covered Product and it must be set off from other surrounding information. In addition, for any Covered Product sold over the internet, the Warning shall appear on the product page or checkout page in full text or through a clearly marked hyperlink using the word **"WARNING"** in all capital and bold letters when a California delivery address is indicated for any purchase of any Covered Product. If a hyperlink is used, the hyperlink must go directly to a page prominently displaying either the Option 1 Warning or the Option 2 Warning without content that detracts from the Warning. An asterisk or other identifying method must be utilized to identify which products on the checkout page are subject to the Warning.

The Warning shall meet the size requirements, if any of 27 CCR § 25602. The word **"WARNING"** shall be in all capital letters and in bold print. No statements intended to or likely to have the effect of diminishing the impact of the Warning on the average lay person shall accompany the Warning. Further, no statements may accompany the Warning that state or imply that the source of the listed chemical has an impact on or results in a less harmful effect of the listed chemical. If consumer information on the package is in a foreign language, the warning must also be provided in the foreign language.

KKMS must display the above Warning with such conspicuousness, as compared with other words, statements or designs on the label, or on its website, if applicable, to render the Warning likely to be read and understood by an ordinary individual under customary conditions of purchase or use of the product.

For purposes of this Consent Judgment, the term "label" means a display of written, printed or graphic material that is printed on or affixed to a Covered Product or its immediate container or wrapper.

4. PAYMENTS PURSUANT TO HEALTH & SAFETY CODE §25249.7(b)

With regard to all claims that have been raised or which could be raised with respect to failure to warn pursuant to Proposition 65 with regard to cadmium in the Covered Product, Defendant shall pay a civil penalty of \$5,000.00 pursuant to Health and Safety Code section 25249.7(b), to be apportioned in accordance with California Health & Safety Code § 25192, with 75% of these funds remitted to the State of California's Office of Environmental Health Hazard Assessment and the remaining 25% of the penalty remitted to KASB, as provided by California Health & Safety Code § 25249.12(d) and the instructions directly below.

Defendant shall issue two separate checks for the penalty payment: (a) one check made payable to "OEHHA" (tax identification number: 68-0284486) in an amount representing 75% of the total penalty (i.e., \$3,750.00) and (b) one check in an amount representing 25% of the total penalty (i.e., \$1,250.00) made payable to; "KJT Law Group, LLP", to be forwarded to KASB. Defendant shall mail these payments within ten (10) days following the Effective Date, at which time such payments shall be mailed to the following addresses respectively:

All payments owed to Plaintiff shall be delivered to the following payment address:

KJT LAW GROUP LLP

230 N. Maryland Avenue, Suite 306

Glendale, CA 91206

All payments owed to OEHHA shall be delivered directly to OEHHA at the following addresses:

For United States Postal Delivery:

Mike Gyurics
Senior Accounting Officer -- MS 19-B
Office of Environmental Health Hazard Assessment
P.O. Box 4010
Sacramento, CA. 95812-0410

For Non-United States Postal Service Delivery:

Mike Gyurics
Fiscal Operations Branch Chief
Office of Environmental Health Hazard Assessment
1001 I Street
Sacramento, CA 95814

5. REIMBURSEMENT OF FEES AND COSTS

The parties reached an accord on the compensation due to KASB and its counsel under the private attorney general doctrine and principles of contract law. Under these legal principles, Defendant shall reimburse KASB's counsel for fees and costs, incurred as a result of investigating, bringing this matter to Defendant attention, and negotiating a settlement in the public interest. Defendant shall pay KASB's counsel \$40,000.00 for all attorneys' fees, expert and investigation fees and related costs associated with this matter and the Notice. Defendant shall mail a check payable to "KJT Law Group," via certified mail to the address for KASB's counsel referenced above.

Other than the payment required hereunder, each side is to bear its own attorneys' fees and costs.

6. RELEASE OF ALL CLAIMS

6.1 KASB's Release of Defendant, Releasees, and Downstream Releasees

As to those matters raised in the Complaint and in the Notice of Violation, KASB, on behalf of itself, *and on behalf of the public interest*, hereby waives and releases any and all claims against

Defendant, its parent companies, corporate affiliates, subsidiaries, predecessors, successors and assigns (collectively “Releasees”) and each of its distributors, wholesalers, licensors, licensees, auctioneers, retailers, franchisees, dealers, customers, owners, purchasers, users (collectively “Downstream Releasees”) and their respective officers, directors, attorneys, representatives, shareholders, agents, and employees, and sister and parent entities for injunctive relief or damages, penalties, fines, sanctions, mitigation, fees (including fees of attorneys, experts, and others), costs, expenses, or any other sum incurred or claimed, for the alleged failure of Defendant, Releasees or Downstream Releasees to provide clear, accurate and reasonable warnings under Proposition 65. about exposure to cadmium arising from the sale, distribution, or use of any Covered Product sold, manufactured or distributed by Defendant, Releasees or Downstream Releasees in California, up through the Compliance Date. Compliance with the Consent Judgment by Defendant or a Releasee shall constitute compliance with Proposition 65 by that Defendant, Releasee, or Downstream Releasee with respect to the presence of cadmium in the Covered Product. Plaintiff agrees that any and all claims in the Complaint are resolved with prejudice by this Consent Judgment.

In addition to the foregoing, KASB, on behalf of itself, past and current agents, representatives, officers, directors, employees, attorneys, and successors and/or assignees, and not in its representative capacity, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases any other Claims that it could make against Defendant, Releasees or Downstream Releasees with respect to violations of Proposition 65 based upon the Covered Product. With respect to the foregoing waivers and releases in this paragraph, KASB hereby specifically waives any and all rights and benefits which it now has, or in the future may have, conferred by virtue of the provisions of Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR

HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

6.2 Defendant's Release of KASB

Defendant waives any and all claims against KASB, its attorneys and other representatives, for any and all actions taken or statements made by KASB and its attorneys and other representatives, in the course of investigating claims or otherwise seeking enforcement of Proposition 65 against them in this matter, and/or with respect to the Covered Product.

7. SEVERABILITY AND MERGER

If, subsequent to the execution of this Consent Judgment, any of the provisions of this document are held by a court to be unenforceable, the validity of the enforceable provisions remaining shall not be adversely affected.

This Consent Judgment contains the sole and entire agreement of the Parties and any and all prior negotiations and understandings related hereto shall be deemed to have been merged within it. No representations or terms of agreement other than those contained herein exist or have been made by any Party with respect to the other Party or the subject matter hereof.

8. GOVERNING LAW

The terms of this Consent Judgment shall be governed by the laws of the State of California and apply within the State of California. Compliance with the terms of this Consent Judgment resolves any issue, now or in the future, as to the requirements of Proposition 65 with respect to alleged exposures to cadmium arising from the Covered Product. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to the Covered Product, then Defendant shall provide written notice to KASB of any asserted change in the law, and shall have no further obligations pursuant to this Consent Judgment with respect to, and to the extent that, the Covered Product is so affected.

9. NOTICES

Unless specified herein, all correspondence and notices required to be provided pursuant to

1 this Consent Judgment shall be in writing and personally delivered or sent by: (i) first-class,
2 (registered or certified mail) return receipt requested; or (ii) overnight courier on any party by the
3 other party at the following addresses:

4
5 For KKMS:

6 Kabushiki Kaisha Muso Shoji
7 Attn. Seigo Okada, President
8 13200 Danielson St., Suite A-1
9 Poway, CA 92064

10 With a copy to:
11 Jeffrey Parker
12 **Sheppard Mullin**
13 333 South Hope Street, 43rd Fl.
14 Los Angeles, CA 90071
15 Phone: 213-617-5586

16 and

17 For KASB:

18 Tro Krikorian, Esq.
19 **KJT LAW GROUP, LLP**
20 230 N. Maryland Ave. Suite 306
21 Glendale, CA 91206
22 Phone: 818-507-8528
23 Fax: 818-507-8588

24 Any party, from time to time, may specify in writing to the other party a change of address to which all
25 notices and other communications shall be sent.

26
27 **10. DRAFTING**

28 The terms of this Consent Judgment have been reviewed by the respective counsel for each
Party prior to its signing, and each Party has had an opportunity to fully discuss the terms and
conditions with legal counsel. The Parties agree that, in any subsequent interpretation and
construction of this Consent Judgment, no inference, assumption, or presumption shall be drawn,
and no provision of this Consent Judgment shall be construed against any Party, based on the fact that
one of the Parties and/or one of the Parties' legal counsel prepared and/or drafted all or any portion
of the Consent Judgment. It is conclusively presumed that all of the Parties participated equally in the

preparation and drafting of this Consent Judgment.

11. COUNTERPARTS; EMAIL OR FACSIMILE SIGNATURES

This Consent Judgment may be executed in counterparts and by email or facsimile, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

12. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(f)/COURT APPROVAL

KASB agrees to comply with the requirements set forth in California Health & Safety Code §25249.7(f) and to promptly bring a Motion for Approval of this Consent Judgment and Defendants shall support approval of such Motion.

This Consent Judgment shall not be effective until it is approved and entered by the Court and shall be null and void if, for any reason, it is not approved and entered by the Court within twelve months after it has been fully executed by the Parties.

13. MODIFICATION

This Consent Judgment may be modified only by further stipulation of the Parties and the approval of the Court or upon the granting of a motion brought to the Court by either Party.

14. ATTORNEY'S FEES

A party who unsuccessfully brings or contests an action arising out of this Consent Judgment shall be required to pay the prevailing party's reasonable attorney's fees and costs unless the unsuccessful party has acted with substantial justification. For purposes of this Consent Judgment, the term substantial justification shall carry the same meaning as used in the Civil Discovery Act of 1986, Code of Civil Procedure Section 2016, et seq.

15. RETENTION OF JURISDICTION

This Court shall retain jurisdiction of this matter to implement or modify the Consent Judgment.

16. AUTHORIZATION

Each signatory to this Consent Judgment certifies that he or she is fully authorized by the Party he or she represents to stipulate to this Consent Judgment.

STIPULATED AND AGREED TO:

Date: Jan 25, 2024

By:  Lance Nguyen

KEEP AMERICA SAFE AND
BEAUTIFUL

Date: Jan 24, 2024

By: 
Seigo Okada, President

KABUSHIKI KAISHA MUSO SHOJI

APPROVED AS TO FORM:

Date: 01/26/2024

By: 

TRO KRIKORIAN, ESQ.
ATTORNEY FOR PLAINTIFF,
KEEP AMERICA SAFE AND BEAUTIFUL

Date: 1/25/2024

By: 

JEFFREY PARKER, ESQ.
ATTORNEY FOR DEFENDANT,
KABUSHIKI KAISHA MUSO SHOJI

IT IS SO ORDERED, ADJUDGED, AND DECREED:

Dated: _____

Judge of the Superior Court